

**From:** Steven White  
**To:** Microsoft ATR  
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**Subject:** Microsoft Settlement

Since today is the deadline for public comments, I thought I would add one parting shot to the email I sent some weeks ago and the hand-written note I sent yesterday by fax. I assume that a lot of people more knowledgeable than I have explained the details of why the settlement is too weak to stop Microsoft from stifling innovation (unless it's their own) and driving other companies out of business. I have seen pages of it in mainstream newspapers and computer publications, and I have gotten a clear explanation from my own state attorney general. You must have seen those also. Let me just make one non-technical point.

Don't be swayed by the marketing-type arguments I hear. Some people say that this whole affair is just Microsoft competitors jealous of Microsoft's success and unable to compete with them, and looking to the government to help them. That is not correct. As the findings of fact told, the issue is that Microsoft will not LET other companies compete. Their way of "competing" is not to make a better product, it is to drive competitors out of business. That's why they have things like the contracts with computer makers that prohibit computer makers from even talking about competing products, let alone selling them.

You might make a settlement that says to Microsoft, "No, no no, you mustn't do that any more," but they will find a way around that. They might not make the contracts any more, but they will use subtle strong-arm tactics, or will find something that follows the letter of the law but not the intent of the settlement. There must be something structural that forces them to behave, not just what amounts to a scolding.

And also don't be fooled by the "freedom to innovate" arguments where Microsoft says that a settlement prevents them from "innovating" and puts the government into the software design business. That is not the point. The point is that Microsoft stops others from innovating and that is what prevents the computer industry from being all it can be. Microsoft's tactics starve other companies from the money they could use to offer better products. The BE-OS is a perfect example. Microsoft's contracts prevented BE-OS from being sold by computer makers. This deprived BE of money it could have used to improve its product so more people would want to buy it. BE went bankrupt.

And finally don't be swayed by arguments that what is good for Microsoft is good for America. Bringing Microsoft to heel will not cripple the economy or have some catastrophic consequences.

I have four computers at home and none of them run any Microsoft software. I have to struggle a bit with them, but I get by just fine. With more money going to other companies, it will get only better.

Thank you.

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